



IN REPLY REFER TO:
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United States Department of the Interior
FISH AND WILDLIFE SERVICE
Mountain-Prairie Region

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OCT 01 2012

Mr. Bill Schultz, Administrator
Ms. Melissa Hornbein, Esq.
Montana Federal Reserved Water Rights Compact Commission
P.O. Box 201601
1625 Eleventh Avenue
Helena, MT 59620-1601

RE: Federal Reserved Water Right negotiations for Charles M. Russell National Wildlife Refuge

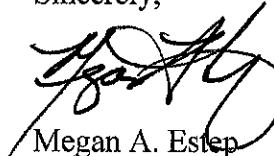
Dear Bill and Melissa:

Thank you for your kind and thorough review of the U.S. Department of the Interior, Fish and Wildlife Service's proposed water rights compact for the Charles M. Russell National Wildlife Refuge. This letter is in response to your counter proposal of September 18, 2012.

1. Item I's quantified rights are in effect for periods varying from only the month of March to March, April, May, and June. We believe the rights should all have the same March, April, May, and June period of use in order to cover the springtime growing season as well to account for early or late runoff patterns. Having the same period of use for all quantified water rights would also greatly simplify administration.
2. Item IV's language makes it seem as if the unquantified right is only appurtenant to drainages where there is no quantified right. The unquantified right for wildlife/stock uses and protection of riparian habitat needs to be applied to all streams.
3. Item V.c uses the word "stacked" to describe a series of 15 acre-feet or less impoundments placed in mainstems in order to bypass the limitation on on-stream reservoirs. The Compact needs a definition of "stacked."
4. Item VI.a should include a reference to the mainstem limitation described in V.

Thank you for your continued willingness to create a Federal Reserved Water Right Compact appurtenant to the Charles M. Russell National Wildlife Refuge. Please review the items in this letter and let me know of your approval or disapproval before I request a review of the revised proposed compact by the U.S. Department of the Interior and the U.S. Office of the Solicitor.

Sincerely,



Megan A. Estep
Chief, Division of Water Resources

cc: John Chaffin
Office of the Solicitor
316 North 26th Street
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Ms. Jamie Connell
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